MARY L. LANDRIEU

## FCC 02-77

## EX PARTE OR LATE FILED

## United States Senate

WASHINGTON, DC 20510-1804

May 2, 2003

PECEIVED & INSPECTATO MAY 0 8 2003 FCC - MAILROOM

00-185

The Honorable Michael K. Powell Chairman Federal Communications Commission 445 12<sup>th</sup> Street S.W. Washington, D.C. 20554

## Dear Chairman Powell:

The Federal Communications Commissions (FCC) has before it a Notice of Proposed Rulemaking concerning the regulatory implications of its determination last spring that cable modem service should be classified as interstate information service, outside the reach of Title VI of the Communications Act. Included in this decision was the determination that revenue from cable modem service should not be used in computing the franchise fees paid to local governments. Parishes in Louisiana have contacted me about their primary concern with this decision, namely its impact on local government revenues derived from franchise fees.

After the Commission's ruling on these two issues, certain cable companies have informed parishes that they are no longer going to pay that portion of revenue derived from delivery of cable modern service. Should the FCC determine it appropriate to exercise its jurisdiction under section 622 to resolve the issue of previously collected franchise fees based on cable modern service revenues, I urge the FCC to further clarify that its decision is prospective and effects only contracts signed after the issuance of its ruling. Otherwise, local governments will be exposed to future claims and significant risk.

With warmest regards, I am

Sincerely,

Mary L. Landrieu United States Senator

MA S L LE PH "03

MLL/nin

No. of Copies rec'd 0+3

For Sun